

REAL PROPERTY TAXES

New York State authorized the City of Yonkers to levy property taxes on the value of the property and the tax rate determines the amount of real estate taxes paid by a property owner. Taxes are billed annually, however, can be paid in three equal installments (July, October and January). The City is restricted by the State Constitution to the amount of taxes that can be levied for operating purposes. The limitation is 2% of the average full value assessment for the past 5 years. The first step in determining the maximum amount of tax levy is to calculate the City average full assessment. The State supplies the special assessment rate percentage used in calculating the full assessment. These figures are based on real estate market conditions over the past five years. The total estimated maximum amount for operating purposes is \$452,928,839 for FY 2011.

The City is using \$249,164,565 of the tax margin leaving \$203,764,271 available in taxing power. The City is also allowed to levy property taxes for certain items above the 2% tax margin. Some of these items are debt services payments, tax certiorari payments, judgement and claims against the municipalities and operating capital.

The City has experienced a continuing decline on assessed values over the past several years due to tax certiorari brought against the municipalities. This problem is not only in Yonkers but is in Westchester County and New York State.

The following is a summary of City of Yonkers taxable assessed value and each year decrease and loss of tax power during the last nineteen years:

YEAR	CITY ASSESSED VALUE	DECREASE FROM PRIOR YEAR	LOSS OF TAXING POWER SINCE 1989
2011	\$482,082,890	\$7,000,000	\$124,436,358
2010	\$489,082,890	\$13,769,445	\$115,445,100
2009	\$502,852,335	\$5,846,753	\$101,344,815
2008	\$508,699,088	\$1,985,125	\$91,181,701
2007	\$510,684,213	\$6,094,734	\$85,859,999
2006	\$516,778,947	\$3,948,244	\$80,380,869
2005	\$520,727,191	\$4,064,351	\$74,895,677
2004	\$524,791,542	\$7,656,898	\$63,494,450
2003	\$532,448,440	\$3,223,608	\$56,671,523
2002	\$535,672,048	\$4,396,567	\$52,475,454
2001	\$540,068,615	\$350,334	\$48,933,877
2000	\$540,418,949	\$2,649,480	\$44,515,660
1999	\$543,068,429	\$3,333,158	\$42,078,029
1998	\$546,401,587	\$5,606,589	\$40,059,768
1997	\$552,008,176	\$13,245,809	\$38,394,219
1996	\$565,253,985	\$24,568,385	\$31,483,958

YEAR	CITY ASSESSED VALUE	DECREASE FROM PRIOR YEAR	LOSS OF TAXING POWER SINCE 1989
1995	\$589,822,370	\$26,797,548	\$23,917,776
1994	\$616,619,918	\$19,267,087	\$15,771,967
1993	\$635,887,005	\$9,874,939	\$10,453,267
1992	\$645,761,944	\$14,012,474	\$7,519,459
1991	\$659,774,418	\$8,646,225	\$4,297,715
1990	\$668,420,643	\$12,830,536	\$2,404,658
1989	\$681,251,179	*	
TOTAL		\$199,168,289	\$1,156,016,299

* Prior to 1989 taxable value was increasing.

The loss of assessed value in the past is due mainly to commercial and utilities companies receiving tax assessment reductions over this period of time. In addition, the City has not done a reassessment since 1954. The loss of taxing power is based on tax rate in effect for the year multiplied by the loss in assessment value since 1989.

The tax rate for FY 2011 is \$ 624.78 per thousand dollar of assessed value. The tax rate is divided between the City and the school district. The school rate is \$441.87 per thousand dollar of assessed value, and the City is \$182.91 per thousand dollars. The total levy for FY 2011 is \$304,619,514 an increase in the levy of \$7.4 million, or a 2.5% increase. The tax rate percent increase is higher than the total levy percent increase due to the loss of \$ 7.0 million in taxable assessed value.

CITY OF YONKERS ASSESSED VALUATION COMPARISON

	Adopted Budget FY 2010	Executive Budget FY 2011	Dollar Change	% Change
City				
Real Estate	\$ 753,149,801	\$ 745,693,051	\$ (7,456,750)	-0.99%
Special Franchise	<u>17,156,259</u>	<u>18,822,499</u>	<u>1,666,240</u>	<u>9.71%</u>
Sub - Total	\$ 770,306,060	\$ 764,515,550	\$ (5,790,510)	-0.75%
Less:				
Wholly and Partially				
Exempt Properties	\$ 273,526,305	\$ 274,683,015	\$ 1,156,710	0.42%
Veteran Exemption	<u>7,696,865</u>	<u>7,749,645</u>	<u>52,780</u>	<u>0.69%</u>
Sub - Total	\$ 281,223,170	\$ 282,432,660	\$ 1,209,490	0.43%
Total Taxable Assessed Value - City	<u>\$ 489,082,890</u>	<u>\$ 482,082,890</u>	<u>\$ (7,000,000)</u>	<u>-1.43%</u>
School District				
Taxable Assessed Value - City	\$ 489,082,890	\$ 482,082,890	\$ (7,000,000)	-1.43%
Plus:				
Veterans' Exemptions Taxable for School Purposes	<u>7,696,865</u>	<u>7,749,645</u>	<u>52,780</u>	<u>0.69%</u>
Total Taxable Assessed Value - Education	<u>\$ 496,779,755</u>	<u>\$ 489,832,535</u>	<u>\$ (6,947,220)</u>	<u>-1.40%</u>

CITY OF YONKERS

PROPERTY TAX CALCULATION

	<u>F.Y. 2007</u>	<u>F.Y. 2008</u>	<u>F.Y. 2009</u>	<u>F.Y. 2010</u>	<u>F.Y. 2011</u>
<u>Board of Education</u>					
Operating Expenditures	\$ 413,079,301	\$ 436,681,593	\$ 461,674,078	\$ 462,386,612	\$ 459,359,939
Debt Service	18,420,699	19,145,111	19,950,266	21,759,729	20,675,394
Total Expenditures	\$ 431,500,000	\$ 455,826,704	\$ 481,624,344	\$ 484,146,341	\$ 480,035,333
Less B.O.E. Revenue	223,667,121	244,993,825	262,775,104	266,297,101	263,593,257
Tax Levy	\$ 207,832,879	\$ 210,832,879	\$ 218,849,240	\$ 217,849,240	\$ 216,442,076
Assessed Valuation	\$ 517,772,002	\$ 517,399,521	\$ 510,443,058	\$ 496,779,775	\$ 489,832,535
Tax Rate per \$1000 A.V.	\$ 401.40	\$ 407.49	\$ 428.74	\$ 438.52	\$ 441.87
\$ Change vs. Prior Year	\$ 74.53	\$ 6.09	\$ 21.26	\$ 9.78	\$ 3.35
% Change vs. Prior Year	22.80%	1.52%	5.22%	2.28%	0.76%

<u>City</u>					
Total Tax Levy	\$ 259,913,858	\$ 272,356,847	\$ 288,912,696	\$ 297,192,534	\$ 304,619,514
Less B.O.E. Levy	207,832,879	210,832,879	218,849,240	217,849,240	216,442,076
City Tax Levy	\$ 52,080,979	\$ 61,523,968	\$ 70,063,456	\$ 79,343,294	\$ 88,177,438
Assessed Valuation	\$ 510,684,213	\$ 508,699,088	\$ 502,852,335	\$ 489,082,890	\$ 482,082,890
Tax Rate per \$1000 A.V.	\$ 101.98	\$ 120.94	\$ 139.33	\$ 162.23	\$ 182.91
\$ Change vs. Prior Year	\$ (59.87)	\$ 18.96	\$ 18.39	\$ 22.90	\$ 20.68
% Change vs. Prior Year	-36.99%	18.59%	15.20%	16.43%	12.75%

Total Tax Rate

Tax Rate per \$1000 A.V.	\$ 503.38	\$ 528.43	\$ 568.08	\$ 600.75	\$ 624.78
\$ Change vs. Prior Year	\$ 14.66	\$ 25.05	\$ 39.65	\$ 32.68	\$ 24.03
% Change vs. Prior Year	3.00%	4.98%	7.50%	5.75%	4.00%

<p style="text-align: center;">CITY OF YONKERS COMBINED PROPERTY TAX LEVY COMPONENTS</p>

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
2% Tax Constit. Limit	\$ 212,316,512	\$ 226,880,192	\$ 238,633,331	\$ 244,197,658	\$ 249,164,568
Debt Service Exclusion	40,390,479	40,157,718	47,384,766	50,605,989	52,413,185
City Operating Capital	420,795	420,795	427,937	393,605	372,769
City Capital Labor	786,072	898,142	966,662	495,282	668,992
Tax Certiorari Payments	5,000,000	3,000,000	500,000	500,000	1,000,000
Judgement & Claims	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
 Total Property Tax Levy	 <u>\$ 259,913,858</u>	 <u>\$ 272,356,847</u>	 <u>\$ 288,912,696</u>	 <u>\$ 297,192,534</u>	 <u>\$ 304,619,514</u>
 2% Constit. Limit	 \$ 349,185,324	 \$ 384,879,236	 \$ 473,389,963	 \$ 486,396,253	 \$ 452,928,839
Expend. Subject to 2% Limit	<u>212,316,512</u>	<u>226,880,192</u>	<u>238,633,331</u>	<u>244,197,658</u>	<u>249,164,568</u>
 Constit. Tax Margin	 <u>\$ 136,868,812</u>	 <u>\$ 157,999,044</u>	 <u>\$ 234,756,632</u>	 <u>\$ 242,198,595</u>	 <u>\$ 203,764,271</u>

CITY of YONKERS F.Y. 2011 - 2% CONSTITUTIONAL TAX LIMIT CALCULATION
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Fiscal Year	Property	Franchise	City Taxable A. V.	Vet. Exempt.	School Taxable A. V.	Special Ratio%	Full Value
FY 2007	\$ 492,059,972	\$ 18,624,241	\$ 510,684,213	\$ 7,087,789	\$ 517,772,002	2.18	\$ 23,751,009,266
FY 2008	\$ 489,886,620	\$ 18,812,468	\$ 508,699,088	\$ 8,700,433	\$ 517,399,521	2.28	\$ 22,692,961,447
FY 2009	\$ 487,352,637	\$ 15,499,698	\$ 502,852,335	\$ 7,590,723	\$ 510,443,058	2.49	\$ 20,499,721,205
FY 2010	\$ 471,926,631	\$ 17,156,259	\$ 489,082,890	\$ 7,696,865	\$ 496,779,755	2.23	<u>\$ 22,277,119,058</u>
FY 2011	\$ 463,260,391	\$ 18,822,499	\$ 482,082,890	\$ 7,749,645	\$ 489,832,535	2.04	<u>\$ 24,011,398,775</u>

Five Year Total \$ 113,232,209,751

Five Year Aveage \$ 22,646,441,950

2% of Five Year Ave. \$ 452,928,839

<p align="center">CITY OF YONKERS COMPARISON OF TAXING POWER AND ITS USE</p>

	Adopted Fiscal Year FY 2010	Executive Fiscal Year FY 2011	Dollar Change	% Change
Five Year Average - Full Valuation	\$24,319,812,645	\$ 22,646,441,950	\$ (1,673,370,695)	-6.9%
2% of Five Year Average	\$486,396,253	\$ 452,928,839	\$ (33,467,414)	-6.9%
Total Debt & Capital Exclusion	<u>52,994,876</u>	<u>55,454,946</u>	<u>2,460,070</u>	<u>4.6%</u>
Maximum Taxing Power	<u>\$ 539,391,129</u>	<u>\$ 508,383,785</u>	<u>\$ (31,007,344)</u>	<u>-5.7%</u>
 <u>City Tax Levy</u>				
Operating	\$ 46,175,750	\$ 51,132,770	\$ 4,957,020	10.7%
Total Debt & Capital Exclusions	<u>33,167,544</u>	<u>37,044,668</u>	<u>3,877,124</u>	<u>11.7%</u>
Total	\$ 79,343,294	\$ 88,177,438	\$ 8,834,144	11.1%
 <u>School District Tax Levy</u>				
Operating	\$ 198,021,908	\$ 200,296,914	\$ 2,275,006	1.1%
Total Debt & Capital Exclusions	<u>19,827,332</u>	<u>16,145,162</u>	<u>(3,682,170)</u>	<u>-18.6%</u>
Total	\$ 217,849,240	\$ 216,442,076	\$ (1,407,164)	-0.6%
 <u>Combined Tax Levy</u>				
Operating	\$ 244,197,658	\$ 251,429,684	\$ 7,232,026	3.0%
Total Debt & Capital Exclusion	<u>52,994,876</u>	<u>53,189,830</u>	<u>194,954</u>	<u>0.4%</u>
Total	\$ 297,192,534	\$ 304,619,514	\$ 7,426,980	2.5%
Constitutional Tax Margins	<u>\$ 242,198,595</u>	<u>\$ 203,764,271</u>	<u>\$ (38,434,324)</u>	<u>-15.9%</u>